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6 AEROFLEX, INC.,
AMI SEMICONDUCTOR, INC.,
7 MATROX ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC.,
8 MATROX INTERNATIONAL CORP.,
MATROX TECH, INC. and
9 AEROFLEX COLORADO SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION
13

14 RICOH COMPANY, LTD.,

15 Plaintiff,

16 vs.

17 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
18 ELECTRONIC SYSTEMS, LTD., MATROX
GRAPHICS INC., MATROX
19 INTERNATIONAL CORP., MATROX TECH,
INC., and AEROFLEX COLORADO SPRINGS,
20 INC.,

21 Defendants.
22

Case No. CV 03-04669 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
MATROX INTERNATIONAL CORP. TO
AMENDED COMPLAINT FOR PATENT
INFRINGEMENT**

23 Defendant Matrox International, Corp. ("Matrox Int'l) for its Amended Answer to the
24 Amended Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the
25 Amended Complaint filed by Ricoh Company, Ltd. ("Ricoh"), and in doing so denies the allegations of
26 the Amended Complaint except as specifically stated:
27
28

PARTIES

1
2 1. Upon information and belief, Matrox Int'l admits that plaintiff Ricoh is a corporation
3 organized under the laws of Japan and maintains its principal place of business at 3 -6 1-chome,
4 Nakamagome, Tokyo, Japan.

5 2. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
6 allegations of Paragraph 2, and on that basis, denies those allegations.

7 3. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
8 allegations of Paragraph 3, and on that basis, denies those allegations.

9 4. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
10 allegations of Paragraph 4, and on that basis, denies those allegations.

11 5. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
12 allegations of Paragraph 5, and on that basis, denies those allegations.

13 6. Matrox Int'l admits that Matrox Int'l is a corporation organized under the laws of New
14 York, and maintains its principal place of business at 625 State Rt 3, Unit B, Plattsburgh, NY 12901.
15 Matrox Int'l admits that Matrox Int'l has consented to the jurisdiction of this Court for this action.
16 Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 6 of the Amended
17 Complaint.

18 7. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
19 allegations of Paragraph 7, and on that basis, denies those allegations.

20 8. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
21 allegations of Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

22
23 9. Matrox Int'l admits that plaintiff's claim purports to arise under the patent laws of the
24 United States, Title 35, and more particularly under 35 U.S.C. §§ 271 *et. seq.* Except as expressly
25 admitted, Matrox Int'l denies the allegations of Paragraph 9 of the Amended Complaint.

26 10. Matrox Int'l admits that the Court has subject matter jurisdiction over the allegations of
27 patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as
28 expressly admitted, Matrox Int'l denies the allegations of Paragraph 10 of the Amended Complaint.

1 11. Matrox Int'l admits that the Court has personal jurisdiction over Matrox Int'l. Except
2 as expressly denied, Matrox Int'l denies the allegations of Paragraph 11 of the Amended Complaint.

3 **VENUE**

4 12. Matrox Int'l admits that venue is proper in this judicial district pursuant to 28 U.S.C. §
5 1391. Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 12 of the
6 Amended Complaint.

7 **FACTUAL BACKGROUND**

8 13. Matrox Int'l admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled
9 "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional
10 Specifications," issued on May 1, 1990. Matrox Int'l admits that the '432 Patent names Hideaki
11 Kobayashi and Masahiro Shindo as inventors. Matrox Int'l further admits that a copy of the '432
12 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox Int'l
13 denies the allegations of Paragraph 13 of the Amended Complaint.

14 14. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
15 allegations of Paragraph 14, and on that basis, denies those allegations.

16 15. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
17 allegations of Paragraph 15, and on that basis, denies those allegations.

18 **PATENT INFRINGEMENT**

19 **COUNT 1**

20 16. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the
21 Amended Complaint.

22 17. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
23 allegations of Paragraph 17, and on that basis, denies those allegations.

24 18. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
25 allegations of Paragraph 18, and on that basis, denies those allegations.

26 19. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
27 allegations of Paragraph 19, and on that basis, denies those allegations.

20 Matrox Int'l lacks information sufficient to form a belief as to the truth of the
allegations of Paragraph 20, and on that basis, denies those allegations.

21. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 21, and on that basis, denies those allegations.

COUNT 2

22. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

1 33. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
2 allegations of Paragraph 33, and on that basis, denies those allegations.

3 **COUNT 4**

4 34. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the
5 Amended Complaint.

6 35. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
7 allegations of Paragraph 35, and on that basis, denies those allegations.

8 36. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
9 allegations of Paragraph 36, and on that basis, denies those allegations.

10 37. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
11 allegations of Paragraph 37, and on that basis, denies those allegations.

12 38. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
13 allegations of Paragraph 38, and on that basis, denies those allegations.

14 39. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
15 allegations of Paragraph 39, and on that basis, denies those allegations.

16 **COUNT 5**

17 40. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the
18 Amended Complaint.

19 41. Matrox Int'l denies each and every allegation in Paragraph 41 of the Amended
20 Complaint.

21 42. Matrox Int'l denies each and every allegation in Paragraph 42 of the Amended
22 Complaint.

23 43. Matrox Int'l denies each and every allegation in Paragraph 43 of the Amended
24 Complaint.

25 44. Matrox Int'l denies each and every allegation in Paragraph 44 of the Amended
26 Complaint.

27 45. Matrox Int'l denies each and every allegation in Paragraph 45 of the Amended
28 Complaint.

COUNT 6

46. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

COUNT 7

52. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

54. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 54, and on that basis, denies those allegations.

55. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 55, and on that basis, denies those allegations.

56. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

DEFENSES

In further response to the Amended Complaint, Defendant Matrox Int'l asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid for failure to meet the requirements specified in Title 35 of the United States Code, including, but not limited to, 35 U.S.C. §§ 101, 102, 103, and 112 for one or more of the following reasons: (a) the inventor named in the '432 Patent did not invent or discover any new useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof within the meaning of 35 U.S.C. § 101; (b) the subject matter claimed in the '432 Patent was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before it was invented by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(a); (c) the subject matter claimed in the '432 Patent was patented or described in a printed publication in this or a foreign country or was in public use or on sale in this country, more than one year prior to the filing of the application which resulted in the '432 Patent in the United States, as prohibited by 35 U.S.C. § 102(b); (d) the subject matter claimed in the '432 Patent was described in a United States patent based on an application filed in the United States or described in an application published prior to its invention by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(e); (e) the inventor named in the '432 Patent did not invent the subject matter; (f) the subject matter claimed in the '432 Patent was invented in this country by another inventor, who did not abandon, suppress or conceal it, before its invention by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(g); (g) the subject matter claimed in the '432 Patent would have been obvious, in view of the prior art, to a person having ordinary skill in the art at the time the invention was made under 35 U.S.C. § 103; and/or (h) the claims of the '432 Patent are invalid for failing to comply with 35 U.S.C. § 112, in that (i) the specification fails to contain a written description of the subject matter claimed in the '432 Patent and the manner and process of making and using it; (ii) the claims fail to particularly point out and distinctly claim a patentable invention, (iii) the claims are indefinite, (iv) the specification fails to enable one skilled in the art to practice the claimed invention, and/or (v) the specification fails to set forth the best mode contemplated by the named inventors for carrying out the alleged invention. Defendant reserves the right to amend this defense further, as additional information is developed through discovery or otherwise.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. Matrox Int'l has not used within the United States any processes that infringe any valid claim of the '432 Patent, either directly, indirectly, contributorily or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

60. Matrox Int'l has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Between 1991 and 2001 Plaintiff Ricoh and Knowledge Based Silicon Corporation ("KBS") were co-assignees of the '432 patent. Pursuant to agreement, Ricoh paid the maintenance fees for the '432 patent. On information and belief, Ricoh and KBS coordinated all activities related to the '432 patent.

62. In or about 1991, KBS unsuccessfully tried to persuade Synopsys, Inc. ("Synopsys"), to license the '432 Patent. KBS subsequently abandoned those efforts, and instead developed and marketed products that were interoperable with Synopsys' Design Compiler product. Towards this end, KBS acquired a license to Design Compiler and received assistance from Synopsys to make its products interoperable with the Design Compiler software. At no point during these cooperative efforts did KBS make any allegation that Synopsys' Design Compiler software, or any other Synopsys product, was infringing the '432 Patent.

63. Matrox Int'l purchased the Design Compiler software from Synopsys.

64. Plaintiff is barred from recovery of damages by reason of laches.

FOURTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

65. Plaintiff is barred from obtaining any relief sought in the Am ended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff s action against Matrox Int'l is barred by the doctrine of patent exhaustion.

FIFTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

66. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the

1 claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used,
2 sold, or offered for sale by Matrox Int'l.

3 **RESERVATION OF AFFIRMATIVE DEFENSES**

4 67. With discovery still ongoing, Matrox Int'l has yet to complete its investigation. Matrox
5 Int'l reserves the right to assert any other defenses that discovery may reveal, including unclean hands
6 or inequitable conduct.

7 **COUNTERCLAIMS**

8 Counterplaintiff Matrox International Corporation, ("Matrox Int'l"), for its counterclaims
9 against Counterdefendant Ricoh Company, Ltd. ("RicoH"), alleges as follows:

10 **PARTIES**

11 68. Matrox Int'l is a corporation organized under the laws of New York, and maintains its
12 principal place of business at 625 State Rt 3, Unit B, Plattsburgh, NY 12901.

13 69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan,
14 having its principal place of business at 3 -6 1-chome, Nakamagome, Tokyo, Japan.

15 **JURISDICTION AND VENUE**

16 70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United
17 States, Title 35 of the United States Code, §1 *et seq.* The Court has jurisdiction over the counterclaims
18 pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

19 71. Ricoh has submitted to the personal jurisdiction of this Court, because suit was filed in
20 this district by Counterdefendant Ricoh.

21 72. Venue is proper in this district pursuant to 28 U.S.C. § 1391, because suit was filed in
22 this district by Counterdefendant Ricoh.

23 73. There is an actual justifiable case or controversy between Matrox Int'l and Ricoh, in
24 this district, arising under the Patent Laws, 35 U.S.C. § 1 *et seq.* This case or controversy arises by
25 virtue of Ricoh's filing of this suit which purports to allege that Matrox Int'l infringes U.S. Patent No.
26 4,922,432 ("the '432 Patent") and Matrox Int'l Answer thereto, which asserts the invalidity and
27 noninfringement of the '432 Patent.

COUNT 1

DECLARATORY JUDGMENT OF INVALIDITY

74. Matrox Int'l incorporates by reference Paragraphs 1 -73 into this count as though fully set forth herein.

75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the owner of the '432 Patent.

76. Ricoh has sued Matrox Int'l in the present action, alleging infringement of the '432 Patent.

77. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

78. Matrox Int'l requests declaratory judgment that the '432 Patent is invalid.

COUNT 2

DECLARATORY JUDGMENT OF NONINFRINGEMENT

79. Matrox Int'l incorporates by reference Paragraphs 1 -77 into this count as though fully set forth herein.

80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference into this Paragraph, the '432 Patent is not infringed by Matrox Int'l.

81. Matrox Int'l requests declaratory judgment that Matrox Int'l has not infringed the '432 Patent.

RESERVATION OF COUNTERCLAIMS

82. Matrox Int'l reserves the right to assert any other counterclaims that discovery may reveal, including, but not limited to, claims arising out of false or misleading statements to the public and/or customers.

PRAYER FOR RELIEF

WHEREFORE, Matrox Int'l respectfully prays for the following relief:

A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

- 1 B. that this Court declare the '432 Patent invalid;
- 2 C. that this Court declare the '432 Patent unenforceable;
- 3 D. that this Court declare that Matrox Int'l has not infringed any valid claim of the '432
- 4 Patent;
- 5 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
- 6 costs of his action and attorneys' fees be awarded to Matrox Int'l;
- 7 F. that this Court grant such other and further relief to Matrox Int'l as this Court may deem
- 8 just and equitable and as the Court deems appropriate.

9 **DEMAND FOR JURY TRIAL**

10 Defendant Matrox Int'l hereby demands trial by jury in this action.

11 Dated: April 7, 2006

Respectfully submitted,

12 HOWREY LLP

13

14 By: /s/Denise M. De Mory
Denise M. De Mory

15 Attorneys for Defendants

16 AEROFLEX, INC., MATROX TECH

17 SEMICONDUCTOR, INC., MATROX

18 ELECTRONIC SYSTEMS, LTD.,

19 MATROX GRAPHICS INC., MATROX

20 INTERNATIONAL CORP., MATROX

21 TECH, INC. AND

22 AEROFLEX COLORADO SPRINGS,

23 INC.

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